

STATE OF IOWA
PROPERTY ASSESSMENT APPEAL BOARD

Dennis & Sheila Jensen,
Petitioners-Appellants,

v.

Sioux City Board of Review,
Respondent-Appellee.

ORDER

Docket No. 11-107-1360
Parcel No. 8947-34-256-018

On June 1, 2012, the above-captioned appeal came on for consideration before the Iowa Property Assessment Appeal Board. The appeal was conducted under Iowa Code section 441.37A(2)(a-b) and Iowa Administrative Code rules 701-71.21(1) et al. Petitioners-Appellants Dennis and Sheila Jensen requested their appeal be considered without a hearing. They were self-represented. Attorney Jack A. Faith is counsel for the Board of Review. The Appeal Board now having examined the entire record, and being fully advised, finds:

Findings of Fact

Dennis and Sheila Jensen, owners of property located at 2526 Washington Avenue, Sioux City, Iowa, appeal from the Sioux City Board of Review decision reassessing their property. According to the property record card, the subject property consists of a one-and-one-half-story dwelling having 813 total square feet of living area built in 1910. The dwelling has a full, unfinished basement. The property is also improved by a 96 square-foot, enclosed porch. It has a 5+05 quality grade, 52% physical depreciation, and is in above-normal condition. The improvements are situated on 0.130 acres.

The real estate was classified as residential on the initial assessment of January 1, 2011, and valued at \$51,300, representing \$19,600 in land value and \$31,700 in dwelling value. The real estate assessment notice indicates there was a citywide revaluation of residential property.

The Jensens protested to the Board of Review on the grounds that the property assessment is not equitable compared to like properties in the taxing jurisdiction under Iowa Code section 441.37(1)(a) and that the property is assessed for more than authorized by law under section 441.37(1)(b). They claimed \$34,500 was the actual value and a fair assessment of the property. The Board of Review denied the protest.

The Jensens then appealed to this Board with the same claims and seeking the same relief.

The Jensens purchased the property in October 2005 for \$25,000. They report the property is located on the corner of Washington Avenue and S. Linn Street. They have compared their assessment to the homes on either side of the property, 2522 Washington and 509 S. Linn. The property at 2522 Washington is assessed at \$34,500 and the dwelling at 509 S. Linn is assessed at \$35,600. They indicate these dwellings have the exact same floor plan, age, and square footage as the subject property and are comparable. They note 2522 Washington is a rental like the subject, whereas 509 S. Linn is owner occupied. They determined \$34,500 was a reasonable and fair assessment because it is the average of the neighboring properties' assessments. We were not provided additional information about the dwellings or the sites.

The Jensens also provided a list of three sales comparables in the area they believe are representative of the property values.

Address	Sale Date	Sale Price	TSFLA	PSF	2011 AV	AV PSF
411 S Fairmont	07/16/10	\$29,500	802	\$36.78	\$49,600	\$61.85
3122 Euclid	10/14/10	\$34,000	720	\$47.22	\$46,500	\$64.58
3328 4th Ave.	10/14/10	\$44,000	600	\$73.33	\$44,600	\$74.33
Subject			813			\$63.12

The Board of Review reported 411 S Fairmont was an estate sale and may not be representative of fair market value without an adjustment to remove any distorting effect. The sales of 3122 Euclid and 3328 4th Avenue are one-story dwellings dissimilar from the one-and-one-half-story subject property. Additionally, the subject property is located in the Morningside Northwest neighborhood, whereas 3328 4th Avenue is located in a different neighborhood. These sales are dissimilar in design, neighborhood, or have sales conditions that make them unsuitable for comparison to the subject property. Therefore, we give this data no weight.

The Jensens also provided a list of three properties they deem equity comparables to support the relief they request.

Address	TSFLA	Assessed Value	AV PSF
511 S Lynn	820	\$37,100	\$45.24
2522 Washington	813	\$34,500	\$42.44
509 S Linn	853	\$36,800	\$43.14

Again, since information about the properties, such as condition, quality grade, site size, and amenities, as well as evidence of the fair market value of these properties is lacking, we are unable to determine if the subject property is equitably assessed as compared to these properties. Therefore, we give this data no weight.

The Board of Review identified six¹ sales comparables with approximately the same living area, which sold between 2009 and 2010, to support the assessment. The median sale price per square foot was \$85.84 and the average sale price per square foot was \$84.87. The subject property is assessed at \$63.12 per square foot, which below the lower end of the range of sale prices per square foot. The following summarizes the information provided by the Board of Review.

¹ An additional property located at 710 S. Linn Street was listed by the Board of Review in the certified record, but eliminated in appeal evidence.

Address	TSFLA	Sale Date	Sales Price	\$SPSF
921 S Fairmount St	838	09/07/10	\$87,950	\$104.95
3617 Vine Ave	884	07/07/10	\$60,000	\$67.87
2615 Dodge Ave	908	09/30/10	\$79,500	\$87.56
3112 Dace Ave	897	08/17/10	\$77,000	\$85.84
921 S Helen St	728	06/16/10	\$50,000	\$66.68
928 S Helen St	864	11/08/10	\$98,000	\$113.43
1111 S Paxton St	912	10/31/09	\$59,950	\$66.68

According to the evidence, the dwellings selected by the Board of Review were all built between 1900 and 1920 on level lots ranging from 0.079 acres to 0.310 acres in the Morningside Northwest neighborhood. All sales were reportedly arms'-length transactions. Most of the dwellings are in above-normal condition like the subject property. In addition, the age, quality grade, and condition are all similar to the subject property. However, since the subject property is a one-and-one-half-story dwelling and the comparables are all one-story dwellings, this dissimilarity would likely require an adjustment. Therefore, we give this data limited weight. Despite this concern, the recent neighborhood sales of vintage dwellings do support the subject property's assessed value on a per-square-foot basis.

For the foregoing reasons, we find the preponderance of the evidence does not support Jensen's claims of inequitable assessment or over-assessment as of January 1, 2011.

Conclusion of Law

The Appeal Board applied the following law.

The Appeal Board has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A (2011). This Board is an agency and the provisions of the Administrative Procedure Act apply to it. Iowa Code § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). The Appeal Board determines anew all questions arising before the Board of Review related to the liability of the

property to assessment or the assessed amount. § 441.37A(3)(a). The Appeal Board considers only those grounds presented to or considered by the Board of Review. § 441.37A(1)(b). But new or additional evidence may be introduced. *Id.* The Appeal Board considers the record as a whole and all of the evidence regardless of who introduced it. § 441.37A(3)(a); *see also Hy-vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption that the assessed value is correct. § 441.37A(3)(a).

In Iowa, property is to be valued at its actual value. Iowa Code § 441.21(1)(a). Actual value is the property's fair and reasonable market value. *Id.* "Market value" essentially is defined as the value established in an arm's-length sale of the property. § 441.21(1)(b). Sale prices of the property or comparable properties in normal transactions are to be considered in arriving at market value. *Id.* If sales are not available, "other factors" may be considered in arriving at market value. § 441.21(2). The assessed value of the property "shall be one hundred percent of its actual value." § 441.21(1)(a).

To prove inequity, a taxpayer may show an assessor did not apply an assessing method uniformly to similarly situated or comparable properties. *Eagle Food Centers v. Bd. of Review of the City of Davenport*, 497 N.W.2d 860, 865 (Iowa 1993). Alternatively, a taxpayer may show the property is assessed higher proportionately than other like property using criteria set forth in *Maxwell v. Shriver*, 257 Iowa 575, 133 N.W.2d 709 (1965). The gist of this test is the ratio difference between assessment and market value, even though Iowa law now requires assessments to be 100% of market value. § 441.21(1). The Jensens did not prove by a preponderance of the evidence that their property is inequitably assessed under either test.

In an appeal that alleges the property is assessed for more than the value authorized by law under Iowa Code section 441.37(1)(b), there must be evidence that the assessment is excessive and the correct value of the property. *Boekeloo v. Bd. of Review of the City of Clinton*, 529 N.W.2d 275, 277

(Iowa 1995). The Jensens did not submit sufficient evidence to support their claims that the property is assessed for more than authorized by law as of January 1, 2011.

Viewing the record as a whole, we determine that the preponderance of the evidence does not support Jensens' claims. Therefore, we affirm the property assessment as determined by the Board of Review. The Appeal Board determines the assessed value of Jensens' property located at 2526 Washington Avenue, Sioux City, is \$51,300, representing the \$19,600 land value and \$31,700 in dwelling value, as of January 1, 2011.

THE APPEAL BOARD ORDERS that the January 1, 2011, assessment as determined by the Sioux City Board of Review is affirmed.

Dated this 6 day of August 2012.

Jacqueline Rypma
Jacqueline Rypma, Presiding Officer

Richard Stradley
Richard Stradley, Board Chair

Karen Oberman
Karen Oberman, Board Member

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Certificate of Service	
The undersigned certifies that the foregoing instrument was served upon all parties to the above cause & to each of the attorney(s) of record herein at their respective addresses disclosed on the pleadings on <u>8-6</u> , 201 <u>2</u>	
By:	<input type="checkbox"/> U.S. Mail <input type="checkbox"/> FAX
	<input type="checkbox"/> Hand Delivered <input type="checkbox"/> Overnight Courier
	<input type="checkbox"/> Certified Mail <input type="checkbox"/> Other
Signature	<u>[Signature]</u>